

PICO HOLDINGS INC /NEW  
Form SC 13D/A  
February 12, 2016

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. 5)1

PICO Holdings, Inc.

(Name of Issuer)

Common Stock, par value \$0.001 per share  
(Title of Class of Securities)

693366205

(CUSIP Number)

KELLY CARDWELL  
CENTRAL SQUARE MANAGEMENT LLC  
1813 N. Mill Street, Suite F  
Naperville, IL 60563  
(630) 210-8923

STEVE WOLOSKY  
OLSHAN FROME WOLOSKY LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
(212) 451-2300

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

February 12, 2016  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box " .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 693366205

1 NAME OF REPORTING PERSON

CENTRAL SQUARE CAPITAL LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		852,805
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		852,805

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

852,805

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

3.7%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 693366205

1 NAME OF REPORTING PERSON

CENTRAL SQUARE CAPITAL MASTER LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		434,856
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		434,856

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

434,856

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.9%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 693366205

1 NAME OF REPORTING PERSON

CENTRAL SQUARE GP LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
	9	852,805 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		852,805

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

852,805

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

3.7%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 693366205

1 NAME OF REPORTING PERSON

CENTRAL SQUARE GP II LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		434,856
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		434,856

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

434,856

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.9%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 693366205

1 NAME OF REPORTING PERSON

CENTRAL SQUARE MANAGEMENT LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		1,287,661
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		1,287,661

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,287,661

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.6%

14 TYPE OF REPORTING PERSON

IA

CUSIP NO. 693366205

1 NAME OF REPORTING PERSON

KELLY CARDWELL

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)   
GROUP (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF	7	SOLE VOTING POWER
SHARES		
BENEFICIALLY		-0-
OWNED BY	8	SHARED VOTING POWER
EACH		
REPORTING		1,287,661
PERSON WITH	9	SOLE DISPOSITIVE POWER
	10	-0-
		SHARED DISPOSITIVE POWER

1,287,661

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,287,661

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)   
EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.6%

14 TYPE OF REPORTING PERSON

IN



CUSIP NO. 693366205

The following constitutes Amendment No. 5 to the Schedule 13D filed by the undersigned (“Amendment No. 5”). This Amendment No. 5 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The Shares purchased by each of Central Square Capital and Central Square Master were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases. The aggregate purchase price of the 852,805 Shares directly owned by Central Square Capital is approximately \$13,938,024, including brokerage commissions. The aggregate purchase price of the 434,856 Shares directly owned by Central Square Master is approximately \$8,359,197, including brokerage commissions.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On February 12, 2016, Central Square Management (together with its affiliates, “Central Square”) delivered a letter to the Issuer’s Board of Directors (the “Board”) responding to the Issuer’s announcement on February 9, 2016 that it appointed two new directors to the Board to replace each of Kristina Leslie, former Chair of the Board, and Robert Deuster, who recently resigned from the Board. In the letter, Central Square stated that it was disappointed to hear that the Board appointed two new directors to replace Ms. Leslie and Mr. Deuster without even attempting to engage in meaningful dialogue with one of its largest shareholders despite Central Square’s persistent and repeated efforts to work constructively with the Issuer to reconstitute the Board. Central Square further stated in the letter that it believes the appointments of Messrs. Brownstein and Marino represent yet another flagrant attempt by management and the Board to further entrench themselves while ignoring the highly-qualified candidates Central Square originally recommended in October 2015 and that any claim by the Issuer that such appointments were “responsive” to shareholders is an illusion of “change” designed to maintain the troubling status quo without accountability to the Issuer’s largest shareholders. In the letter, Central Square stated that should the Issuer refuse to engage in immediate dialogue to reach an agreement that offers real and substantive change for the Issuer’s shareholders, Central Square will have no choice but to nominate candidates for election at the Issuer’s upcoming 2016 annual meeting of shareholders. The full text of the letter is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 5. Interest in Securities of the Issuer.

Items 5(a)-(c) are hereby amended and restated to read as follows:

The aggregate percentage of Shares reported owned by each person named herein is based upon 23,017,041 Shares outstanding, as of November 2, 2015, which is the total number of Shares outstanding as reported in the Issuer’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 9, 2015.

A. Central Square Capital

(a) As of the close of business on February 11, 2016, Central Square Capital directly owned 852,805 Shares.

Percentage: Approximately 3.7%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 852,805
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 852,805

(c) The transactions in the Shares by Central Square Capital since the filing of Amendment No. 4 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.

CUSIP NO. 693366205

B. Central Square Master

(a) As of the close of business on February 11, 2016, Central Square Master directly owned 434,856 Shares.

Percentage: Approximately 1.9%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 434,856
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 434,856

(c) The transactions in the Shares by Central Square Master since the filing of Amendment No. 4 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.

C. Central Square GP

(a) Central Square GP, as the general partner of Central Square Capital, may be deemed the beneficial owner of the 852,805 Shares owned by Central Square Capital.

Percentage: Approximately 3.7%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 852,805
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 852,805

(c) Central Square GP has not entered into any transactions in the Shares since the filing of Amendment No. 4 to the Schedule 13D. The transactions in the Shares on behalf of Central Square Capital since the filing of Amendment No. 4 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.

D. Central Square GP II

(a) Central Square GP II, as the general partner of Central Square Master, may be deemed the beneficial owner of the 434,856 Shares owned by Central Square Master.

Percentage: Approximately 1.9%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 434,856
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 434,856

(c) Central Square GP II has not entered into any transactions in the Shares since the filing of Amendment No. 4 to the Schedule 13D. The transactions in the Shares on behalf of Central Square Master since the filing of Amendment No. 4 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.



CUSIP NO. 693366205

E. Central Square Management

(a) Central Square Management, as the investment manager of each of Central Square Capital and Central Square Master, may be deemed the beneficial owner of the (i) 852,805 Shares owned by Central Square Capital and (ii) 434,856 Shares owned by Central Square Master.

Percentage: Approximately 5.6%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 1,287,661
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 1,287,661

(c) Central Square Management has not entered into any transactions in the Shares since the filing of Amendment No. 4 to the Schedule 13D. The transactions in the Shares on behalf of Central Square Capital and Central Square Master since the filing of Amendment No. 4 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.

F. Mr. Cardwell

(a) Mr. Cardwell, as the managing member of each of Central Square GP, Central Square GP II and Central Square Management, may be deemed the beneficial owner of the (i) 852,805 Shares owned by Central Square Capital and (ii) 434,856 Shares owned by Central Square Master.

Percentage: Approximately 5.6%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 1,287,661
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 1,287,661

(c) Mr. Cardwell has not entered into any transactions in the Shares since the filing of Amendment No. 4 to the Schedule 13D. The transactions in the Shares on behalf of each of Central Square Capital and Central Square Master since the filing of Amendment No. 4 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.

The Reporting Persons, as members of a “group” for the purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, may be deemed the beneficial owner of the Shares directly owned by the other Reporting Persons. Each Reporting Person disclaims beneficial ownership of such Shares except to the extent of his or its pecuniary interest therein.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following exhibit:

99.1 Letter to the Board of Directors, dated February 12, 2016.



CUSIP NO. 693366205

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: February 12, 2016

Central Square Capital LP

By: Central Square GP LLC  
General Partner

By: /s/ Kelly Cardwell  
Name: Kelly Cardwell  
Title: Managing Member

Central Square Capital Master LP

By: Central Square GP II LLC  
General Partner

By: /s/ Kelly Cardwell  
Name: Kelly Cardwell  
Title: Managing Member

Central Square GP LLC

By: /s/ Kelly Cardwell  
Name: Kelly Cardwell  
Title: Managing Member

Central Square GP II LLC

By: /s/ Kelly Cardwell  
Name: Kelly Cardwell  
Title: Managing Member

Central Square Management LLC

By: /s/ Kelly Cardwell  
Name: Kelly Cardwell  
Title: Managing Member

/s/ Kelly Cardwell

Kelly Cardwell



CUSIP NO. 693366205

## SCHEDULE A

## Transactions in the Shares Since the Filing of Amendment No. 4 to the Schedule 13D

Shares of Common Stock Purchased/(Sold)	Price Per Share(\$)	Date of Purchase / Sale
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## CENTRAL SQUARE CAPITAL LP

5,000	8.5904	02/01/2016
1,236	8.4780	02/02/2016
10,900	8.4972	02/08/2016
20,000	8.4362	02/09/2016
5,899	8.3521	02/10/2016
13,998	8.3144	02/11/2016

## CENTRAL SQUARE CAPITAL MASTER LP

(12,266)	10.0163	01/05/2016
(500)	10.0000	01/06/2016